

Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015

ACPET submission

October 2015

Introduction

Established in 1992, ACPET is the national industry association for private providers of post-compulsory education and training. ACPET has over 1,200 members nationally who deliver a range of higher education, vocational education and training (VET) and English language courses across all states and territories and internationally.

ACPET's mission is to enhance quality, greater choice and innovation in Australian education and skills training, including for international students. ACPET members include commercial and not-for-profit entities, community groups, industry providers and enterprise-based organisations.

Around a third of ACPET members are Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) registered providers. Accordingly, ACPET is very committed to ensuring a strong regulatory framework that underpins quality and confidence in the sector along with growth in international education sector opportunities.

With a number of other key industry stakeholders, ACPET has actively engaged in the consultations relating to the proposed amendments outlined in the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015. ACPET wishes to express its appreciation to the Department of Education and Training for its professional and comprehensive engagement with the sector.

ACPET supports the amendments that are included in the Bill. The following comments are provided in relation to several of the proposed amendments.

Schedule 1 - Streamlining Regulation

The amendments outlined in Schedule 1 are common sense regulatory reforms that align the domestic and international regulatory frameworks and clarify and confirm the roles of the regulators. They will reduce the overlap and duplication that has been apparent, particularly since the establishment of TEQSA and ASQA.

The amendments will support the ESOS regulators to carry out their important role in ensuring quality in international education delivery through their risk-based frameworks.

At the same time, they will reduce provider compliance costs that will come from, for example, the alignment of domestic and international registration periods. It will enable providers to focus on the delivery of quality education and training.

Schedule 4 – TPS Director

The Tuition Protection Service (TPS) is one of the fundamental elements of Australia's international education sector that provides confidence to students considering study in Australia. The TPS Director plays an important role in supporting the effectiveness and sustainability of the TPS.

The proposed amendments will include an enhanced ability to gather information from providers in support of the TPS Director's role and to share information with the ESOS regulators. ACPET strongly supports these measures which will contribute to a strengthening of the TPS and the broader regulatory arrangements. It will reinforce the clear message of Australia's commitment to a robust, high quality international education sector.

Schedule 5 – Other Amendments

The amendments contained in Schedule 5 will provide greater capacity for training organisations to respond to the needs and circumstances of international students.

At present students are unable to pay more than 50 per cent of their tuition fees up front for programs longer than 24 weeks. The amendments will enable students to make pre-payments of more than 50 per cent where it suits their circumstances. For example, the payment of tuition fees up front may assist students on scholarships or other sponsored arrangements. This will not only assist these students but reduce some provider administrative burden.

The amendments also include the removal of the requirement for designated accounts to hold pre-paid tuition fees for those non-exempt (private) providers and the restriction on use of these funds. This measure will create a 'level playing field' for all providers, enabling private providers to better manage their financial commitments.

ACPET notes that the Australian Government Actuary has indicated the removal of this requirement will not create any significant increased risk to the TPS.

It is also noted that the ESOS regulators can impose additional conditions on the registration of providers as part of their risk assessments.

ACPET supports the removal of the 24 week maximum study period from the ESOS Act. This simply responds to the market realities that see a range of programs being developed to respond to the needs of students. Providers will still need to provide students with full details (including costs) of their program of study in accordance with the requirements of the National Code.